

To The Honorable Justice Glenn,
UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re: Chapter 11 - Debtors: CELSIUS NETWORK LLC, et al., **Case No. 22-10964 (MG)**

Dear Your Honor,

As one of many creditors seeking justice, I kindly ask for your consideration of the following significant and consequential matters pertaining to this case:

1 WHERE IS ALL THE CELSIUS CREDITOR'S CRYPTO ACTUALLY HELD ? I understand that some, most or perhaps all of the customer crypto transferred to Celsius was then transferred by Celsius to a company called GK8. I also understand GK8 is a company based in Israel. AND I understand from Linked-in that an officer of Celsius, Mr. S. Daniel Leon is also listed as Executive Chairman of GK8, and that Mr Leon is based in Israel. Does the fact that customers crypto being held outside the USA by another company outside the USA, not present a risk to the court's ability to recover our (Celsius customers') crypto if it is held in an account outside the jurisdiction held where this proceeding is taking place ?

2 MANAGEMENT OF CELSIUS GOING FORWARD ? Given the many activities Celsius has engaged in, such as trading, market making, lending customer's coins to third parties, and using customer's coin as collateral, all of which amount to risky and perhaps fraudulent practices, the net of which has brought about this unfortunate bankruptcy situation, I echo the comments of many that it is not in the interest of Celsius creditors, nor beneficial for this Chapter 11 proceeding to permit CEO Mashinsky or others retain control of the company, or remain in charge of the direction of the company, and seek that you order that they stand aside and appoint (an)other better qualified person(s) take hold and take charge of this situation to resolve the Chapter 11 bankruptcy problem and provide a solution and in the very least improve customer confidence. I believe that this situation is like if a bad surgeon made a mistake and disfigured a patient, the same surgeon should not be given the job to try and correct the mistake.

3 MINING OF BITCOIN GOING FORWARD. The debtor has proposed to continue mining bitcoin as a way of digging themselves out of this mess and repaying said proceeds to creditors. What confidence can we have that any new bitcoin obtained from mining, will be held for the repayment of funds to creditors ? Will there be a "trust account" and how can we be sure that such Bitcoin earned is not held by Celsius for it's own use and benefit, with the potential risk that no new bitcoin mined ends up in the hands of the creditors?

4 MISSING ETHEREUM Mr Nash, counsel for Celsius said during the hearing on Monday July 18 that 35000 ETH held in custody by a third party for Celsius were "lost", without stating when they were lost. My question is when was this disclosed and why was this not disclosed AT THAT TIME ? I understand it was not disclosed in a timely manner. This is a material breach of trust and surely there are penalties for failure to disclose this information on a timely basis ?

I thank you for your diligence in this matter and look forward to following your proceedings.

Sincerely,

Russell Ferrier

21 July 2022